

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Chipper Beef

Utah Manufacturing Extension Partnership

Chipper Beef Jerkey Seals It With Lean

Client Profile:

Chipper Beef Jerky is a beef jerky manufacturing plant located in Salt Lake City, Utah. The company provides beef jerky in a convenient bottle to convenience, grocery, and drug stores across the nation. Chipper Beef Jerky employs 35 people.

Situation:

Due to the uniqueness of their patented bottle, Chipper Beef Jerky needed to find a seal that would ensure the quality of the product. The company was also concerned with the rising scrap rate and inventory levels, along with the increased cost of manufacturing the product. On a referral from a close associate, Chipper Beef Jerky invited the Utah Manufacturing Extension Partnership (UMEP) a NIST MEP network affiliate, to visit their facility and discuss these problem areas.

Solution:

UMEP identified that most of these issues could be remedied with application of Lean Manufacturing techniques. Through completion of Lean Manufacturing training and a Value-Stream Map of their process, UMEP recognized Chipper Beef Jerky's need for a new warehouse layout and a Kanban design. They were also able to establish a takt time according to the customers' pull rates, which led to controlled inventory levels. Also, engineers at Chipper Beef Jerky were set to work on re-designing the bottles and developing new seals, which eliminated the scrap.

Results:

- * Reduced lead times from 69 days to 28 days.
- * Reduced Inventory levels from 6 months to 30 days.
- * Reduced cash outflows by 60 to 70 percent.
- * Reduced scrap from 18 percent to less than 1 percent.
- * Management team acquired more guidance and adopted more principles that could be applied to the company in the future.

Testimonial:

"We highly recommend any operational facility to use MEP if they want to improve. I know the benefits that result from implementation."

Kevin Sylvester, Operations Manager